
HOUSE BILL No. 1063

DIGEST OF INTRODUCED BILL

Citations Affected: IC 2-2.1-3; IC 2-7.

Synopsis: Lobbyists. Provides that a member of the general assembly, a candidate for a legislative office, an officer of the general assembly, an employee of the general assembly, or a member of the immediate family of any of these persons may not accept a gift from a lobbyist. Provides that a lobbyist may not give a gift to any of these persons. Provides that violations of any of the prohibitions on giving or accepting gifts is a Class B misdemeanor. Provides that an individual who has served as a member of the general assembly may not register as a legislative branch lobbyist during the period that ends two years after the date that the individual ceases to be a member of the general assembly. Provides that the prohibition applies only to an individual who ceases to be a member of the general assembly after June 30, 2008.

Effective: July 1, 2008.

Day, Pond

January 8, 2008, read first time and referred to Committee on Rules and Legislative Procedures.

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Introduced

Second Regular Session 115th General Assembly (2008)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

HOUSE BILL No. 1063

A BILL FOR AN ACT to amend the Indiana Code concerning the general assembly.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 2-2.1-3-2 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 2. (a) Not later than
3 seven (7) calendar days following the first session day in January of
4 each year every member of the general assembly shall file with the
5 principal clerk of the house or secretary of the senate, respectively, a
6 written statement of the member's or candidate's economic interests for
7 the preceding calendar year listing the following:

8 (1) The name of the member's or candidate's employer and the
9 employer of the member's or candidate's spouse and the nature of
10 the employer's business. The house of representatives and senate
11 need not be listed as an employer.

12 (2) The name of any sole proprietorship owned or professional
13 practice operated by the member or candidate or the member's or
14 candidate's spouse and the nature of the business.

15 (3) The name of any partnership of which the member or
16 candidate or the member's or candidate's spouse is a member and
17 the nature of the partnership's business.



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(4) The name of any corporation of which the member or candidate or the member's or candidate's spouse is an officer or director and the nature of the corporation's business. Churches need not be listed.

(5) The name of any corporation in which the member or candidate or the member's or candidate's spouse or unemancipated children own stock or stock options having a fair market value in excess of ten thousand dollars (\$10,000). No time or demand deposit in a financial institution or insurance policy need be listed.

(6) The name of any state agency or the supreme court of Indiana which licenses or regulates the following:

(A) The member's or candidate's or the member's or candidate's spouse's profession or occupation.

(B) Any proprietorship, partnership, corporation, or limited liability company listed under subdivision (2), (3), or (4) and the nature of the licensure or regulation.

The requirement to file certain reports with the secretary of state or to register with the department of state revenue as a retail merchant, manufacturer, or wholesaler shall not be considered as licensure or regulation.

(7) The name of any person whom the member or candidate knows to have been a lobbyist in the previous calendar year and knows to have purchased any of the following:

(A) From the member or candidate, the member's or candidate's sole proprietorship, or the member's or candidate's family business, goods or services for which the lobbyist paid in excess of one hundred dollars (\$100).

(B) From the member's or candidate's partner, goods or services for which the lobbyist paid in excess of one thousand dollars (\$1,000).

This subdivision does not apply to purchases made after December 31, 1998, by a lobbyist from a legislator's retail business made in the ordinary course of business at prices that are available to the general public. For purposes of this subdivision, a legislator's business is considered a retail business if the business is a retail merchant as defined in IC 6-2.5-1-8.

(8) The name of any person or entity from whom the member or candidate received the following:

~~(A) Any gift of cash from a lobbyist.~~

~~(B)~~ (A) Any single gift other than cash having a fair market value in excess of one hundred dollars (\$100). However, a

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contribution made by a lobbyist to a charitable organization (as defined in Section 501(c) of the Internal Revenue Code) in connection with a social or sports event attended by legislators need not be listed by a member of the general assembly unless the contribution is made in the name of the legislator.

~~(C)~~ (B) Any gifts other than cash having a fair market value in the aggregate in excess of two hundred fifty dollars (\$250). Campaign contributions need not be listed. Gifts from a spouse or close relative need not be listed unless the donor has a substantial economic interest in a legislative matter.

(9) The name of any lobbyist who is:

(A) a member of a partnership or limited liability company;

(B) an officer or a director of a corporation; or

(C) a manager of a limited liability company;

of which the member of or candidate for the general assembly is a partner, an officer, a director, a member, or an employee, and a description of the legislative matters which are the object of the lobbyist's activity.

(10) The name of any person or entity on whose behalf the member or candidate has appeared before, contacted, or transacted business with any state agency or official thereof, the name of the state agency, the nature of the appearance, contact, or transaction, and the cause number, if any. This requirement does not apply when the services are rendered without compensation.

(11) The name of any limited liability company of which the member of the general assembly, the candidate, or the member's or candidate's individual spouse has an interest.

(b) Before any person, who is not a member of the general assembly files the person's declaration of candidacy, declaration of intent to be a write-in candidate, or petition of nomination for office or is selected as a candidate for the office under IC 3-13-1 or IC 3-13-2, the person shall file with the clerk of the house or secretary of the senate, respectively, the same written statement of economic interests for the preceding calendar year that this section requires members of the general assembly to file.

(c) Any member of or candidate for the general assembly may file an amended statement upon discovery of additional information required to be reported.

SECTION 2. IC 2-2.1-3-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 13. (a) This section does not apply to an expenditure by a lobbyist that is for the benefit of all the members of the**

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general assembly on a given occasion.

(b) The following may not accept a gift from a lobbyist:

(1) A member of the general assembly.

(2) A candidate for a legislative office (as defined in IC 3-5-2-28).

(3) An officer of the general assembly.

(4) An employee of the general assembly.

(5) A member of the immediate family of anyone described in any of subdivisions (1) through (4).

(c) A person who knowingly or intentionally accepts a gift in violation of this section commits a Class B misdemeanor.

SECTION 3. IC 2-7-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 3. (a) The activity reports of each lobbyist shall include the following:

(1) A complete and current statement of the information required to be supplied under IC 2-7-2-3 and IC 2-7-2-4.

(2) Total expenditures on lobbying (prorated, if necessary) broken down to include at least the following categories:

(A) Compensation to others who perform lobbying services.

(B) Reimbursement to others who perform lobbying services.

(C) Receptions.

(D) Entertainment, including meals. However, a function to which the entire general assembly is invited is not lobbying under this article.

(E) Gifts made to an employee of the general assembly or a member of the immediate family of an employee of the general assembly.

(3) A statement of expenditures and gifts that equal one hundred dollars (\$100) or more in one (1) day, or that together total more than five hundred dollars (\$500) during the calendar year; if the expenditures and gifts are made by the registrant or his agent to benefit:

(A) a member of the general assembly;

(B) an officer of the general assembly;

(C) an employee of the general assembly; or

(D) a member of the immediate family of anyone included in clause (A) (B), or (C).

(4) (3) Whenever a lobbyist makes an expenditure that is for the benefit of all of the members of the general assembly on a given occasion, the total amount expended shall be reported, but the lobbyist shall not prorate the expenditure among each member of the general assembly.

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~~(5)~~ (4) A list of the general subject matter of each bill or resolution concerning which a lobbying effort was made within the registration period.

~~(6)~~ The name of the beneficiary of each expenditure or gift made by the lobbyist or his agent that is required to be reported under subdivision (3).

~~(7)~~ (5) The name of each member of the general assembly from whom the lobbyist has received an affidavit required under IC 2-2.1-3-3.5.

(b) In the second semiannual report, when total amounts are required to be reported, totals shall be stated both for the period covered by the statement and for the entire reporting year.

(c) An amount reported under this section is not required to include the following:

(1) Overhead costs.

(2) Charges for any of the following:

(A) Postage.

(B) Express mail service.

(C) Stationery.

(D) Facsimile transmissions.

(E) Telephone calls.

(3) Expenditures for the personal services of clerical and other support staff persons who are not lobbyists.

(4) Expenditures for leasing or renting an office.

(5) Expenditures for lodging, meals, and other personal expenses of the lobbyist.

SECTION 4. IC 2-7-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. (a) A lobbyist shall file a written report with respect to a member of the general assembly whenever ~~either of the following occurs:~~

~~(1)~~ The lobbyist has made a purchase described in IC 2-2.1-3-2(a)(7) with respect to that member. This ~~subdivision~~ **subsection** does not apply to purchases made by a lobbyist from a legislator's retail business made in the ordinary course of business at prices that are available to the general public. For purposes of this ~~subdivision~~, **subsection**, a legislator's business is considered a retail business if the business is a retail merchant as defined in IC 6-2.5-1-8.

~~(2)~~ The lobbyist has made a gift described in IC 2-2.1-3-2(a)(8) to that member.

(b) A report required by subsection (a) must state the following:

(1) The name of the lobbyist.

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(2) ~~Whether That~~ the report covers a purchase described in IC 2-2.1-3-2(a)(7). ~~or a gift described in IC 2-2.1-3-2(a)(8).~~

(c) A lobbyist shall file a copy of a report required by this section with all the following:

(1) The commission.

(2) The member of the general assembly with respect to whom the report is made.

(3) The principal clerk of the house of representatives, if the legislator is a member of the Indiana house of representatives.

(4) The secretary of the senate, if the legislator is a member of the Indiana senate.

(d) A lobbyist shall file a report required by subsection (a) not later than seven (7) days after making the purchase. ~~or giving the gift.~~

(e) Not later than January 7, the commission shall provide to each member of the general assembly a written compilation of all reports filed under subsection (c) relating to that member. The compilation must satisfy the following:

(1) For each member, the compilation must list ~~the following~~ **each purchase described in IC 2-2.1-3-2(a)(7)** for the immediately preceding calendar year.

~~(A) Each purchase described in IC 2-2.1-3-2(a)(7):~~

~~(B) Each gift described in IC 2-2.1-3-2(a)(8) itemized as follows:~~

~~(i) Any gift of cash from the lobbyist.~~

~~(ii) Any single gift from the lobbyist other than cash having a fair market value that exceeds one hundred dollars (\$100):~~

~~(iii) Any gifts from the lobbyist other than cash having a fair market value in the aggregate that exceeds two hundred fifty dollars (\$250):~~

(2) For each purchase, ~~or gift~~, the compilation must identify the name of the lobbyist making the purchase. ~~or giving the gift.~~

SECTION 5. IC 2-7-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. (a) The following persons may not be registered as a lobbyist under this article:

(1) Any individual convicted of a felony for violating any law while the individual was an officer or employee of any agency of state government or a unit of local government.

(2) Any person convicted of a felony relating to lobbying.

(3) Any person convicted of a felony and who:

(A) is in prison;

(B) is on probation; or

(C) has been in prison or on probation within the immediate

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past one (1) year.

(4) Any person: ~~whose~~

(A) **whose** statement or report required to be filed under this article was found to be materially incorrect as a result of a determination under IC 2-7-6-5; and

(B) who has not filed a corrected statement or report for that year when requested to do so by the commission.

(5) Any person who has failed to pay a civil penalty assessed under IC 2-7-6-5.

(6) Any person who is on the most recent tax warrant list supplied to the commission by the department of state revenue until:

(A) the person provides a statement to the commission indicating that the person's delinquent tax liability has been satisfied; or

(B) the commission receives a notice from the commissioner of the department of state revenue under IC 6-8.1-8-2(k).

(b) An individual who:

(1) has served as a member of the general assembly; and

(2) ceases to be a member of the general assembly after June 30, 2008;

may not be registered as a lobbyist under this article during the period that ends two (2) years after the date that the individual ceases to be a member of the general assembly.

SECTION 6. IC 2-7-5-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 7. (a) This section does not apply to an expenditure that is for the benefit of all the members of the general assembly on a given occasion.

(b) As used in this section, "candidate" has the meaning set forth in IC 3-5-2-6.

(c) As used in this section, "legislative office" has the meaning set forth in IC 3-5-2-28.

(d) A lobbyist may not give a gift to any of the following:

(1) A member of the general assembly.

(2) A candidate for a legislative office.

(3) An officer of the general assembly.

(4) An employee of the general assembly.

(5) A member of the immediate family of anyone described in any of subdivisions (1) through (4).

(e) Notwithstanding IC 2-7-6-2, a person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 7. IC 2-7-6-2 IS AMENDED TO READ AS FOLLOWS

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[EFFECTIVE JULY 1, 2008]: Sec. 2. (a) Any person who knowingly or intentionally violates any provision of ~~IC 2-7-2, IC 2-7-3, or IC 2-7-5~~ the following commits unlawful lobbying, a Class D felony:

(1) IC 2-7-2.

(2) IC 2-7-3.

(3) IC 2-7-5, except as provided in IC 2-7-5-7.

(b) In addition to any penalty imposed on the defendant under IC 35-50-2-7 for unlawful lobbying, the court may order the defendant not to engage in lobbying for a period of up to ten (10) years, IC 2-7-5-6 notwithstanding.

~~(b)~~ (c) Any person who lobbies in contravention of a court order under subsection (a) of this section commits a Class D felony.

SECTION 8. [EFFECTIVE JULY 1, 2008] (a) The definitions in IC 2-2.1-3-1 and IC 2-7-1 apply throughout this SECTION.

(b) Notwithstanding the amendments made to IC 2-2.1-3-2 and IC 2-7-3-6 by this act, a lobbyist shall file a written report with respect to a member of the general assembly for a gift given by the lobbyist described in IC 2-2.1-3-2(a)(8), as in effect January 1, 2008. A report required by this subsection must satisfy the following:

(1) The report must cover gifts made after December 31, 2007, and before July 1, 2008.

(2) The report must state the following:

(A) The name of the lobbyist.

(B) That the report covers a gift described in IC 2-2.1-3-2(a)(8), as in effect January 1, 2008.

(3) The report must be filed with the appropriate persons described in IC 2-7-3-6(c), as amended by this act.

(4) The report must be filed not later than the time stated in IC 2-7-6-3(d), as amended by this act.

(c) Not later than January 7, 2009, the commission shall provide to each member of the general assembly a written compilation of all reports filed under subsection (b) relating to that member. The compilation must satisfy the following:

(1) For each member the compilation must list each gift described in IC 2-2.1-3-2(a)(8), as in effect January 1, 2008, itemized as follows:

(A) Any gift of cash from the lobbyist.

(B) Any single gift from the lobbyist other than cash having a fair market value that exceeds one hundred dollars (\$100).

(C) Any gifts from the lobbyist other than cash having a

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1 fair market value in the aggregate that exceeds two
2 hundred fifty dollars (\$250).
3 (2) For each gift, the compilation must identify the name of
4 the lobbyist giving the gift.
5 (d) Notwithstanding IC 2-2.1-3-2, as amended by this act, a
6 member of the general assembly shall include in the member's
7 statement of economic interests required to be filed not later than
8 seven (7) calendar days following the first session day in January
9 2009 each gift of cash the member received from a lobbyist after
10 December 31, 2007, and before July 1, 2008.
11 (e) This SECTION expires January 1, 2010.

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